

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of

Application by BellSouth Corporation, BellSouth)
Telecommunications, Inc., and BellSouth Long)
Distance, Inc. (collectively "BellSouth") for) **WC Docket No. 02-307**
Authorization to Provide In- Region, InterLATA)
Services in the States of Florida and Tennessee)

COMMENTS
REGARDING THE JOINT APPLICATION BY BELL SOUTH
CORPORATION FOR AUTHORIZATION UNDER SECTION 271 OF THE
COMMUNICATIONS ACT TO PROVIDE IN-REGION, INTERLATA SERVICE
IN THE STATES OF FLORIDA AND TENNESSEE

SUBMITTED BY THE

National Urban League

October 10, 2002

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The National Urban League urges the Federal Communications Commission (FCC) to approve the joint Application filed by BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc., (collectively, BellSouth) for authorization to provide in-region, interLATA service in the states of Florida and Tennessee, pursuant to section 271 of the Communications Act of 1934, as amended (the Act), 47 U.S.C. § 271. As articulated in greater detail below, the National Urban League views the approval of BellSouth's joint 271 (Application) as in being in the public interest of consumers in these states.

I. Statement of Interest

The National Urban League, Inc. ("The League"), founded in 1910, is the nation's oldest and largest community-based movement dedicated to empowering African Americans to enter the social and economic mainstream. The League is headquartered in New York City, with more than 100 affiliates in 34 states and the District of Columbia. The League implements its mission through advocacy, bridge building, program services and research.

II. Comments

The Telecommunications Act of 1996 (the Act) heralded the possibility of job creation, economic development and access for consumers to competitive communications services throughout the United States. A growing number of consumers and communities in the following states are realizing the benefits of the Act: Alabama, Delaware, Georgia, Kansas, Kentucky, Louisiana, Massachusetts, Mississippi, New

York, North Carolina Oklahoma, Pennsylvania and Texas. Surely the populace of Florida and Tennessee deserve similar savings in local and long distance service attributable to competition. The League supports BellSouth's Application to provide long-distance service quite simply, because it is the right thing to do. The League has a proud history of advocating social and economical inclusion of African Americans into the mainstream. From its focus at the turn of the Twentieth Century to help Southern black migrants overcome racial and economic barriers in the North, to its current involvement with the PowerUP¹ movement nationwide to help underserved youth with access to technology and guidance to use computers and the Internet most effectively, the National Urban League has always looked beyond the obstacles that lay before its constituents and sought to fashion tools that provide opportunities for social and economic advancement.

One of this nation's largest challenges is to provide consumers and communities with access to robust and alternative communications service. This nation's recent tragic events underscore just how important it is for people to be able to communicate with one another. This is the case regardless of where one resides. The League notes that where 271 applications are approved, consumers are given access to real competitive choices in long distance and local telephone service plans. While different studies calculate the exact amount of consumers, most agree that consumers are saving millions of dollars in both long distance and local telephone service.² For example, economist Stephen B. Posiak estimated that consumers in BellSouth's entire service area could save as much as \$4.6 billion.(cite omitted)

¹ PowerUP is a national initiative that provides underserved youth with access to technology and guidance to use computers and the Internet most effectively. PowerUP and the National Urban League have created a partnership to launch PowerUP sites within National Urban League affiliates nationwide.

Currently there is little incentive for long distance providers in Florida and Tennessee to reduce their rates. BellSouth will provide innovative calling plans with no monthly minimums and no monthly fees. This is particularly beneficial to low volume and low-income consumers. BellSouth intends to provide consumers in Florida and Tennessee with the same if not better benefits. BellSouth will provide residential consumers in calling plans that are simpler and less expensive than most carriers as well as calling plans that are innovative and which meet the unique calling needs and patterns of Florida and Tennessee consumers. The obstacle for Florida and Tennessee residential consumers is not having the benefit of truly competitive local and long-distance service plans. The opportunity exists for BellSouth to be the catalyst of innovative and competitive pricing plans. The FCC's approval of BellSouth's Application is the tool for consumers to realize the opportunity for substantial savings.

As previously mentioned the League is not only concerned with the social implications of providing its constituents with access to competitive communications service, the League is also concerned with the economic impact of this Application. While the nation's economy is slowing, BellSouth's entry has the potential of sustaining and possibly creating jobs as the company and its competitors upgrade network infrastructure and expand the number of services offered to compete in long distance. Further, more competition will provide BellSouth with incentives for increased investment necessary to bring the full range of advance telecommunications to Florida and Tennessee consumers.

² TRAC estimates that Georgia consumers would save \$85 to \$301 million in local and long distance service. (September 6, 2001 <http://trac.policy.net/relatives/17340.pdf>).

Finally, the League shares the sentiment of the Public Service Commissions in Florida and Tennessee that BellSouth's local markets are open. Both the Florida Public Service Commission and the Tennessee Regulatory Authority have unanimously voted in favor of BellSouth's receiving authority to begin competing for long-distance customers in their respective states. These states represent approximately 8.8 million BellSouth customer lines, about 38% of BellSouth's network. According to BellSouth, in Florida local competitors have gained 1.2 million customer lines, which amounts to 17.7% of all lines in the state. Similarly, in Tennessee, competitors serve over 334, 000 customer lines, which amounts to nearly 11.6% of all lines in the state.

III. Conclusion

The National Urban League views the approval of BellSouth's Application to provide long distance service to consumers in Florida and Tennessee as being in the public interest. The FCC's approval of this Application will significantly benefit the social and economic position of many consumers in Florida and Tennessee, many of whom are NUL constituents. Consumers stand to save millions on innovative, competitive and custom-tailored local and long-distance plans. Additionally, while not guaranteed, jobs could be created or at least maintained by the nearly \$2 billion that BellSouth has invested in preparation for entry into the long distance market. Finally, approval of this Application will provide BellSouth with incentives to increased investment in advance telecommunications. It is within the FCC's means to provide consumers in Florida and Tennessee with the opportunity to have access to competitive

and innovative communication services. Accordingly, the National Urban League strongly requests your approval of BellSouth's Application.

Respectfully submitted,

Milton J. Little, Jr./s/

Milton J. Little, Jr.,
Executive Vice President & COO
National Urban League
120 Wall Street
New York, NY 10005